

Warranties

Written Warranties

Although not required by law, written warranties come with most major purchases. When comparing written warranties, keep the following in mind:

- How long does the warranty last? Check the warranty to see when it begins and when it expires, as well as any conditions that may void coverage.
- Who do you contact to get warranty service? It may be the seller or the manufacturer who provides you with service.
- What will the company do if the product fails? Read to see whether the company will repair the item, replace it, or refund your money.
- What parts and repair problems are covered? Check to see if any parts of the product or types of repair problems are excluded from coverage. For example, some warranties require you to pay for labor charges. Also, look for conditions that could prove expensive or inconvenient, such as a requirement that you ship a heavy object to a factory for service, or that you return the item in the original carton.
- Does the warranty cover "consequential damages?" Many warranties do not cover damages caused by the product, or your time and expense in getting the damage repaired. For example, if your freezer breaks and the food spoils, the company will not pay for the lost food.
- Are there any conditions or limitations on the warranty? Some warranties provide coverage only if you maintain or use the product as directed. For example, a warranty may cover only personal uses—as opposed to business uses—of the product. Make sure the warranty will meet your needs.

Spoken Warranties

If a salesperson makes a promise orally, such as that the company will provide free repairs, get it in writing. Otherwise, you may not be able to get the service that was promised.

Service Contracts

When you buy a car, home, or major appliance, you may be offered a service contract. Although often called "extended warranties," service contracts are not warranties. Service contracts, like warranties, provide repair and/or maintenance for a specific time. Warranties, however, are included in the price of the product; service contracts costs extra and are sold separately. To determine whether you need a service contract, consider:

- Whether the warranty already covers the repairs and the time period of coverage that you would get under the service contract;
- Whether the product is likely to need repairs and the potential costs of such repairs;
- The duration of the service contract; and
- The reputation of the company offering the service contract.

Implied Warranties

Implied warranties are created by state law, and all states have them. Almost every purchase you make is covered by an implied warranty.

The most common type of implied warranty—a "warranty of merchantability," means that the seller promises that the product will do what it is supposed to do. For example, a car will run and a toaster will toast.

Another type of implied warranty is the "warranty of fitness for a particular purpose." This applies when you buy a product on the seller's advice that it is suitable for a particular use. For example, a person who suggests that you buy a certain sleeping bag for zero-degree weather warrants that the sleeping bag will be suitable for zero degrees.

If your purchase does not come with a written warranty, it is still covered by implied warranties unless the product is marked "as is," or the seller otherwise indicates in writing that no warranty is given. Several states, including Kansas, Maine, Maryland, Massachusetts, Mississippi, Vermont, West Virginia, and the District of Columbia, do not permit "as is" sales.

If problems arise that are not covered by the written warranty, you should investigate the protection given by your implied warranty. Implied warranty coverage can last as long as four years, although the length of the coverage varies from state to state. A lawyer or a state consumer protection office can provide more information about implied warranty coverage in your state.

Preventing Problems

To minimize problems:

- Read the warranty before you buy. Consider the reputation of the company offering the warranty. Save your receipt and file it with the warranty. Perform required maintenance and inspections.
- Use the product according to the manufacturer's instructions.

Resolving Disputes

- Read your product instructions and warranty carefully.
- Try to resolve the problem with the retailer.
- Contact your state or local consumer protection office
- Research dispute resolution programs that try to informally settle any disagreements between you and the company.
- Consider small claims court.